releasably secured in pocket 20 in tool body 12 by a retaining device. Only a single insert is shown on the tool body in Figure 1, it being understood in the art that a plurality of such inserts may be uniformly disposed and releasably secured around the outer diameter 13 of the tool body 12 in a similar manner. In the embodiment of Figure 1, each retaining device [24] comprises a retaining wedge 22 and a pocket 20. Retaining wedge 22 comprises a top surface 30, an outer periphery 32 including an insert-contacting flank 34 and a bottom surface 36. The retaining wedge 22 has a centrally disposed hole 38 which extends from the top surface 30 through the bottom surface 36 for receiving retaining screw 42, which screw engages a threaded bore 40 (not shown) in the tool body 12. While the retaining device disclosed in Figure I utilizes a pocket 20 in combination with a retaining wedge 22 secured to the tool body by a retaining screw 42, the invention is equally applicable to other retaining devices that utilize the combination of an insert receiving seat, for example a pocket, cartridge or the like, and various insert holding devices that secure the insert 14 to the tool body 12 and do not interfere with the functioning of the invention, for example clamps and screws. Thus, the insert 14 is secured to a cutting member which could comprise the tool body or a cartridge mounted in the tool body. The retaining device is designed, in a manner known in the art, to allow for minute changes of position, on the order of 0.0005 to 0.0075 inches as a result of forces exerted by the adjustment device.

Page 14, replace paragraph 53 as follows

53. Pocket 20 includes a pocket floor 26 for receiving and supporting a cutting insert 14. The pocket 20 is contiguous with a cavity 44 of substantially polygonal external shape in tool body 12. A hollow sleeve 50 of substantially polygonal external shape fits inside cavity 44. The sleeve 50 is in the form of tube having a hollow interior defining a hole 52 extending from one end 62 to the other end 62 of the sleeve, an external peripheral surface 60, end faces 62 and an internal peripheral surface 64.

Page 14, replace paragraph 54 as follows

54. Figure 2 is a perspective view of the embodiment of Figure 1 showing the invention in its positional relation to retaining wedge 22 and insert 14. The sleeve 50 has a plurality of slots 54, extending substantially parallel to the longitudinal axis of the sleeve, which allow the sleeve to expand. Each slot intersects one of the end faces 62 of the sleeve. Expansion of the portion of the sleeve in engagement with the insert transmits force to the substantially incompressible insert, causing the insert to move outward along the pocket floor. In this manner, expansion or contraction of the sleeve adjusts the position of the insert 14 and hence the cutting edge 18 in relation to the tool body 12. It is desirable that the sleeve 50 engages, at least, between 50% to 100% of the insert flank 16, thereby providing for efficient transfer of force from the adjustment device to the insert.

Page 15, replace paragraph 55 as follows.

55. Sleeve 50 is retained in the tool body 12 by an adjustment screw 70 extending through the hole 52 of the sleeve 50 and threadingly engaging tool body 12. As shown in Figures 4a and 4b, sleeve 50 has a tapered portion 68. The sleeve may be expanded by either advancement or retraction of the adjustment screw, depending upon the angle of the tapered portion 68.

Page 16, replace paragraph 57 as follows.

57. Figure 4a and 4b show a sleeve 50 of the embodiment of Figure 1. A plurality of slots 54 are disposed on sleeve 50. The slots are disposed around the periphery of the sleeve in alternating fashion, i.e. slots intersecting one end face are positioned adjacent and offset from slots intersecting the opposite end face. The external peripheral surface 60 is generally polygonal and comprises an abutment flank 56 for contacting abutment surface 46 of the cavity and a flexing flank 58 for engaging the insert. The internal peripheral surface 64 is provided with a first region 66 having a tapered portion 68 extending at least a portion of the length of the sleeve toward one

a6 of the end faces 62. The first region 66 extends around flexing flank 58, preferably the portion of thereof engaging the insert 14.

Page 17, replace paragraph 58 as follows.

58. Figure 5b is a top cutaway view of the embodiment of Figure 1, showing insert 14 adjustably secured in tool body 12, prior to adjustment of the position of the insert 14. Sleeve 50 is positioned in the cavity 44 of tool body 12 by adjusting screw 70 such that abutment flank 56 contacts abutment surface 46 of the cavity 44 and flexing flank 58 engages insert 14. The ordinary expedient for accomplishing same is offsetting the threaded bore into which adjusting screw 70 is threadingly engaged, in a manner known in the art. The interface between the tool body, sleeve and insert is rendered rigid, and shift or "springing back" of the sleeve is minimized or stopped.

a7

Page 17, replace paragraph 60 as follows.

60. Figure 5a shows the embodiment of Figure 5b, after adjustment of the position of the insert by actuation of adjustment screw 70. The clearance space 49 is reduced in size due to expansion of sleeve 50, which expansion transmits force to substantially incompressible insert 14, thereby causing movement of the insert along pocket floor in a direction substantially perpendicular to the plane of the insert flank engaging flexing flank 58. In an alternative embodiment, shown in Figure 10, no clearance space is required as flexing surface 58 of sleeve 50 does not adjoin a clearance surface 47 of cavity 44.

a8

Page 18, replace paragraph 66 as follows.

66. Figure 10 is a top cutaway view of the another embodiment of the invention in the use environment of a rotary cutting tool utilizing inserts positioned in the tool body 12 in what is known in the industry as "laydown" cutting position. The retaining device of this embodiment comprises a holddown screw 24, which passes through the center of insert major face 15 and into the tool body in a manner known in the art. Insert 14 is adjustably secured to the tool body by retaining device 24. Sleeve

A9

50 is positioned in the cavity 44 of tool body 12 by adjusting screw 70 such that abutment flank 56 contacts abutment surface 46 of the cavity 44 and flexing flank 58 engages insert 14. No clearance space is required as flexing surface 58 of sleeve 50 does not adjoin a clearance surface 47 of cavity 44, but instead extends only along the insert.